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Lesson 2: Understanding the Development Hypothesis and Associated Logic Models

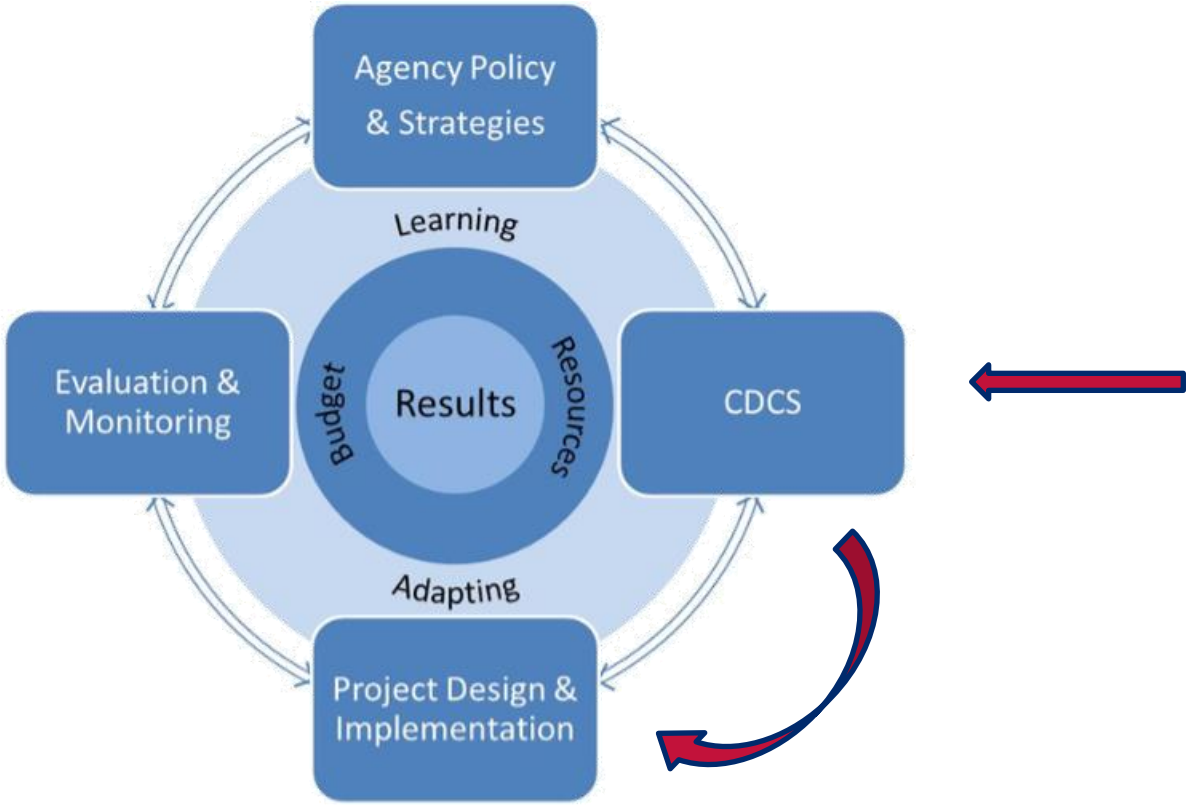
Lesson Objective

1. To understand the importance of the development hypothesis and the logic model as the foundation for M&E.

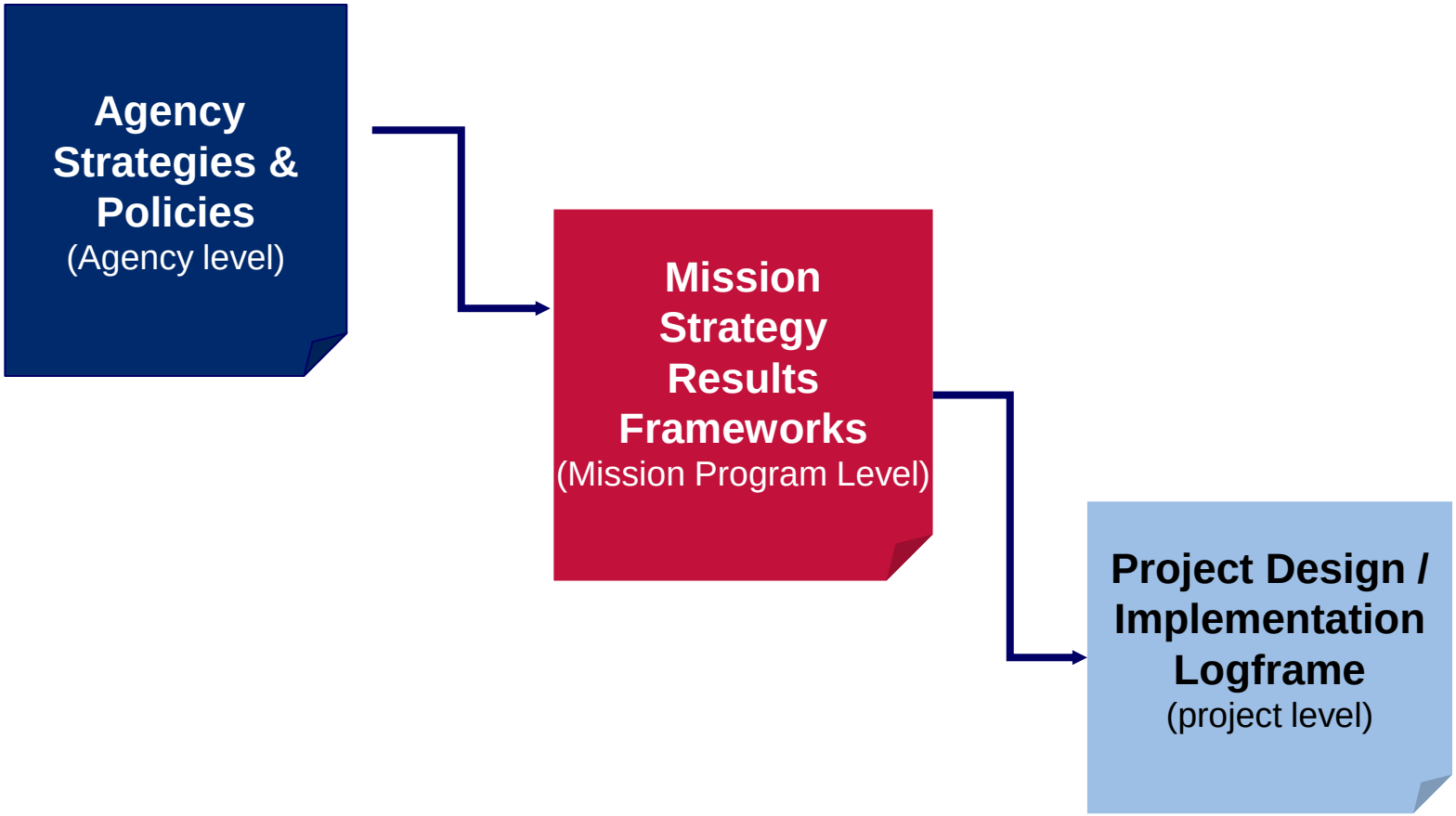
2. To be able to develop a sound and well reasoned logic model.

3. To improve planning and M&E systems.

USAID Program Cycle

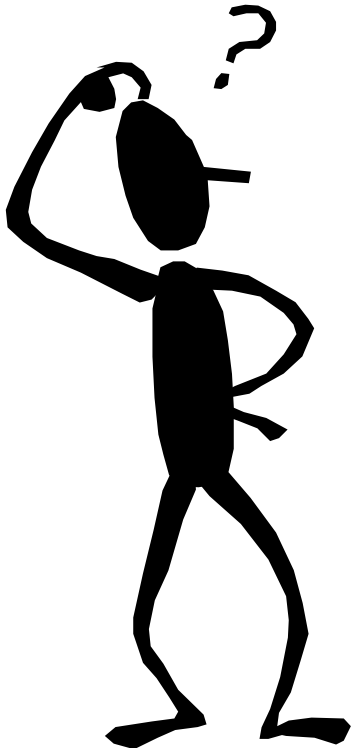


Planning Levels



The Logic Model

What is a logic model?



The Logic Model

- A logic model sets out how an intervention (such as a project, a program, or a policy) is understood or intended to produce particular results.
- Usually a graphical depiction of the logical relationships between the resources, activities, outputs and outcomes
- Used to assess the "if-then" (causal) relationships between the elements of the program

A logic model = Logframe, Results Framework, Objective Tree, Theory of Change, Development Hypothesis

The Logic Model

Why is a logical and well-reasoned results framework (or logframe) important for M&E?

- Effective programming is based on an **inter-related** set of components – one builds on the other
- The RF is the **foundation for M&E**
- If done right, the RF becomes a "**flagging system**" for management and evaluation.
- These tools are intended to help managers achieve **clarity and focus** in an inherently complex environment.

What is the Development Hypothesis?

- Describes the **theory of change**, logic, and causal relationships between the building blocks needed to achieve a long-term result.
- Based on **development theory**, practice, literature, and experience, is country-specific
- Explains **why and how** the proposed investments lead to achieving objectives
- Associated **narrative** explains the relationships between results.

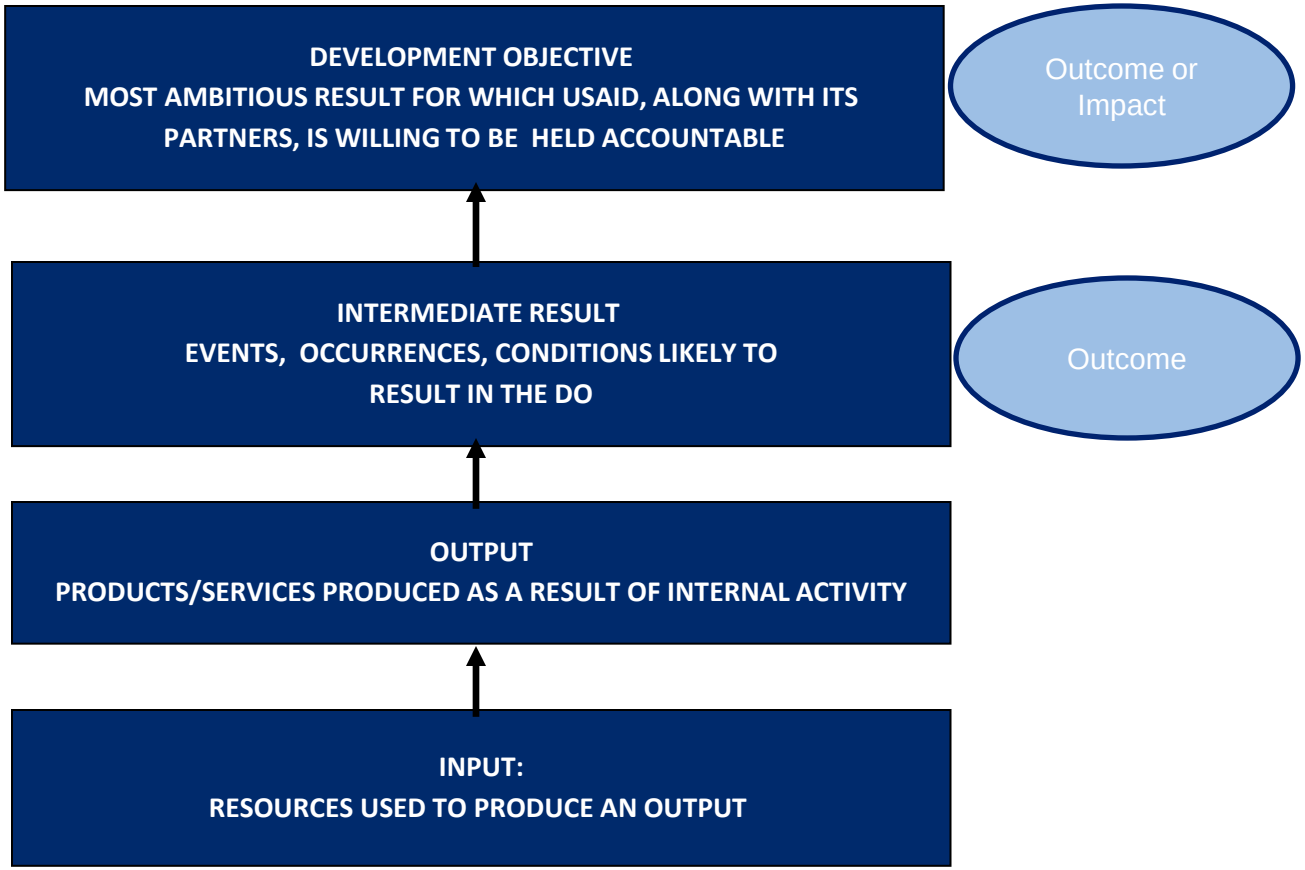
  (USAID ADS 200)

What is a "Result"?

- A **result** is a significant, intended, and measurable change in the condition of a customer, or a change in the host country, institutions, or other entities that will affect the customer directly or indirectly.

USAID ADS 200

Four Basic Building Blocks for Planning



Four Basic Building Blocks for Planning

Development Objective ➢ Increased agricultural productivity

Intermediate Result ➢ Increased use of improved planting methods

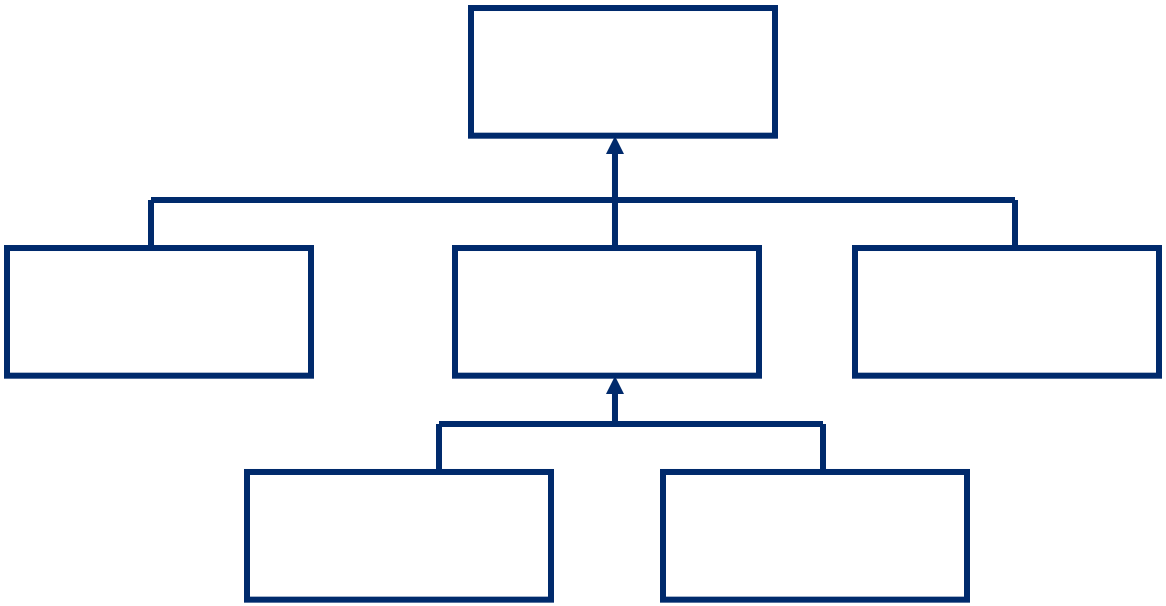
Outputs ➢ Small-scale farmers trained

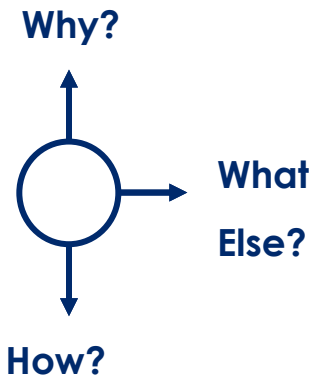
Inputs ➢ "Workshops" on improved planting methods

Results Framework

- Represents the development hypothesis or theory of change
- Graphic display of cause-effect relationships among a number of interrelated results at the strategic planning phase
- Each level identifies the results that are “necessary and sufficient” to achieve the level above
- Based on technical knowledge, on-the-ground experience, and analysis

Results Framework

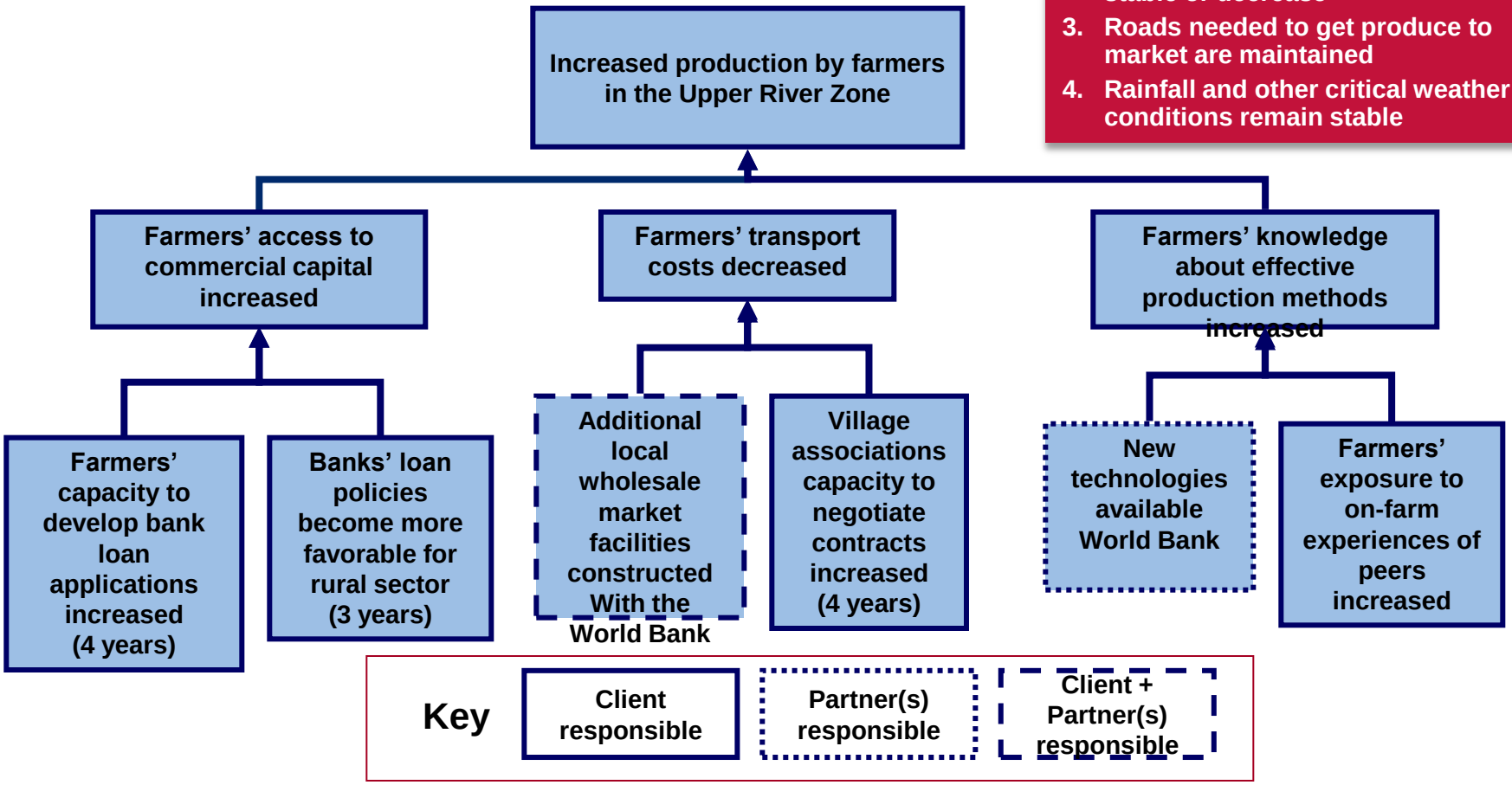




An Illustrative Results Framework

Critical Assumptions

1. Market prices for farmers' products remain stable or increase
2. Prices of agricultural inputs remain stable or decrease
3. Roads needed to get produce to market are maintained
4. Rainfall and other critical weather conditions remain stable

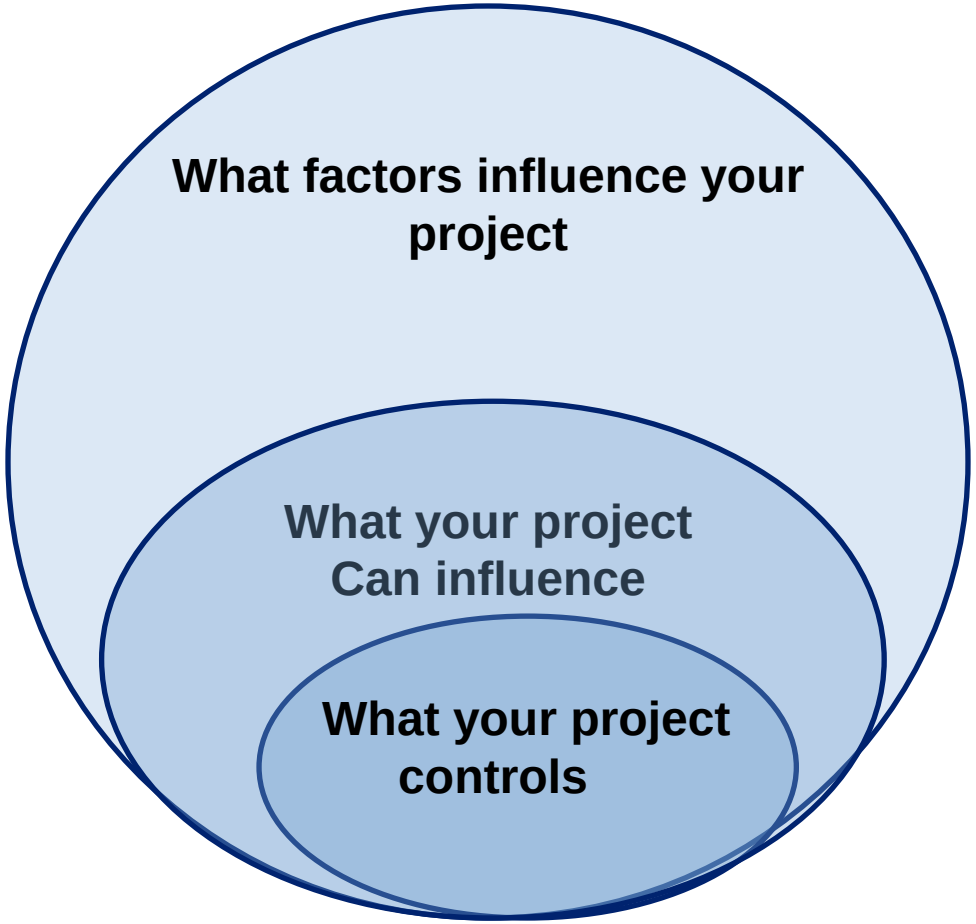


Accountability & Manageable Interest

1. Means that an organization has reason to believe that its ability to influence, organize, and support others around commonly shared goals can lead to the achievement of the desired results.

2. The probability of success is high enough to warrant expending program and staff resources.

Another Way to Conceptualize Manageable Interest….



Well Designed Results Are….

- A result– not an output
- As precise, clear and focused as possible
- Measurable and objective
- NOT a process
- DOES NOT include multiple levels (“through, by, etc….)

Results Statements– Is this a Result?

Promote the adoption of new food transport regulations.

Better: New food transport regulations adopted

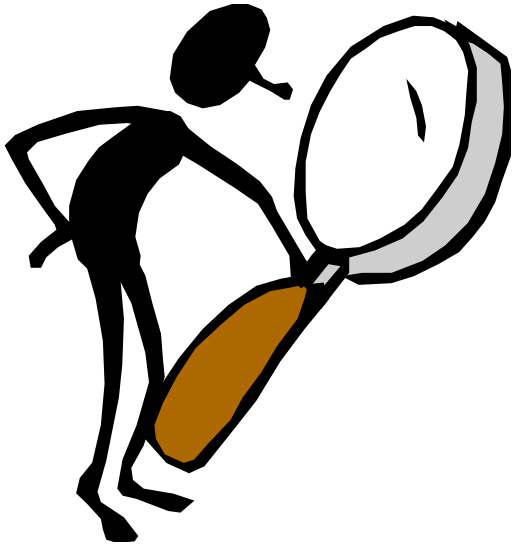
Activities & Processes

Beware of confusing interventions with their desired end-result…

Training	→	**Increased skills**
Institutional development	→	**Improved services**
Dissemination of information	→	**Better informed target group**
Expert technical assistance	→	**Improved policy and regulatory framework**

Group Exercise #1

Let's look at some well-designed and some not-so-well designed results…



Good or bad…and why?

Improved farmers' knowledge and attitudes regarding new agricultural production practices.

Increased Use of Grain Storage Methods by Targeted Households

Good or bad…and why?

Improved food pricing policies promoted

Increased household agricultural production through expanded use of improved technologies

Good or bad…and why?

Satisfactory standard of living for target beneficiaries

Train ministry personnel in Policy analysis methods

Cause And Effect Reasoning

Number the statements in an order demonstrating cause and effect:

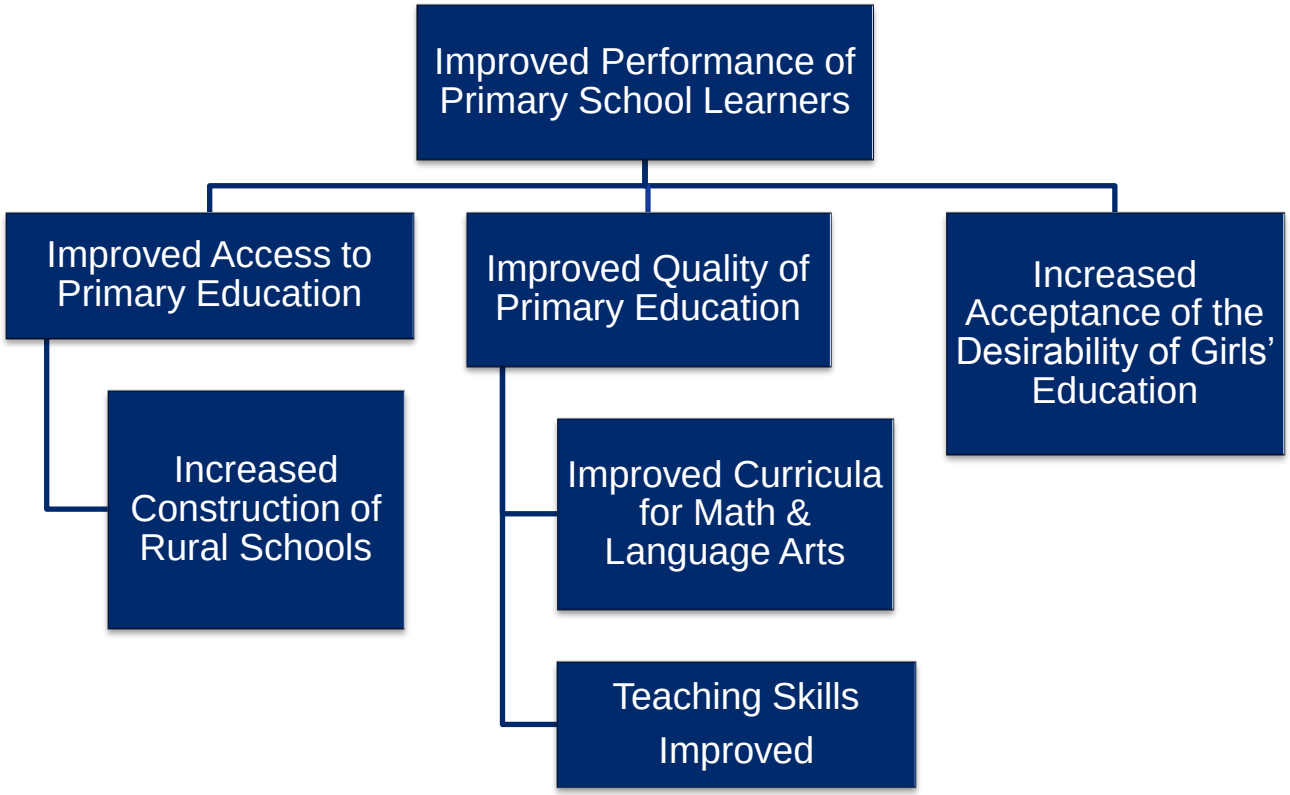
__ **Clinic-level reproductive health manual completed**

__ **Improved quality of clinic consultations**

__ **Health clinic workers trained**

__ **Increased use of safer reproductive practices**

A set of results will be handed out, with each result printed on a separate piece of paper. Arrange the results into a causal logic model.


Improved Performance of Primary School Learners
Improved Access to Primary Education
Improved Quality of Primary Education
Increased Acceptance of the Desirability of Girls' Education
Increased Construction of Rural Schools
Improved Curricula for Math & Language Arts
Teaching Skills Improved

Common Pitfalls

- Large causal gaps- IR's are not necessary and sufficient to achieve the SO
- Categorical linkages- The IRs are simply categories of the DO
- Definitional linkages- The IRs define the DO

What do you think of this logic?

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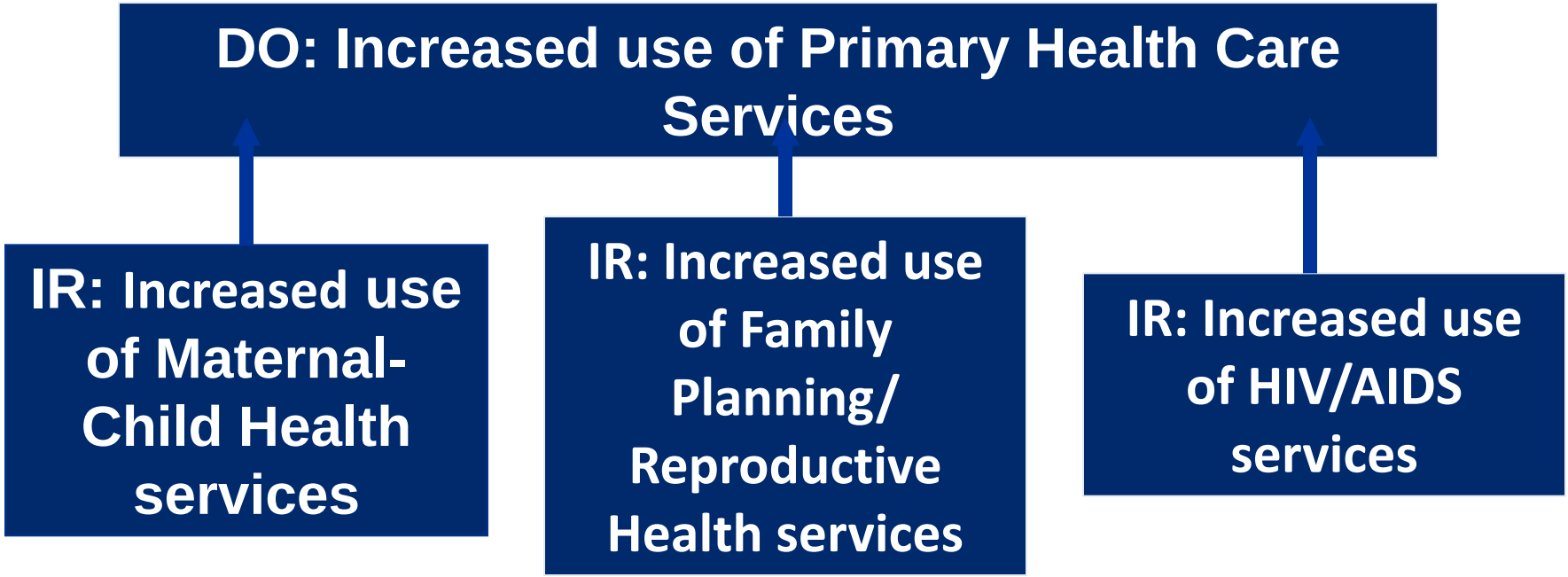

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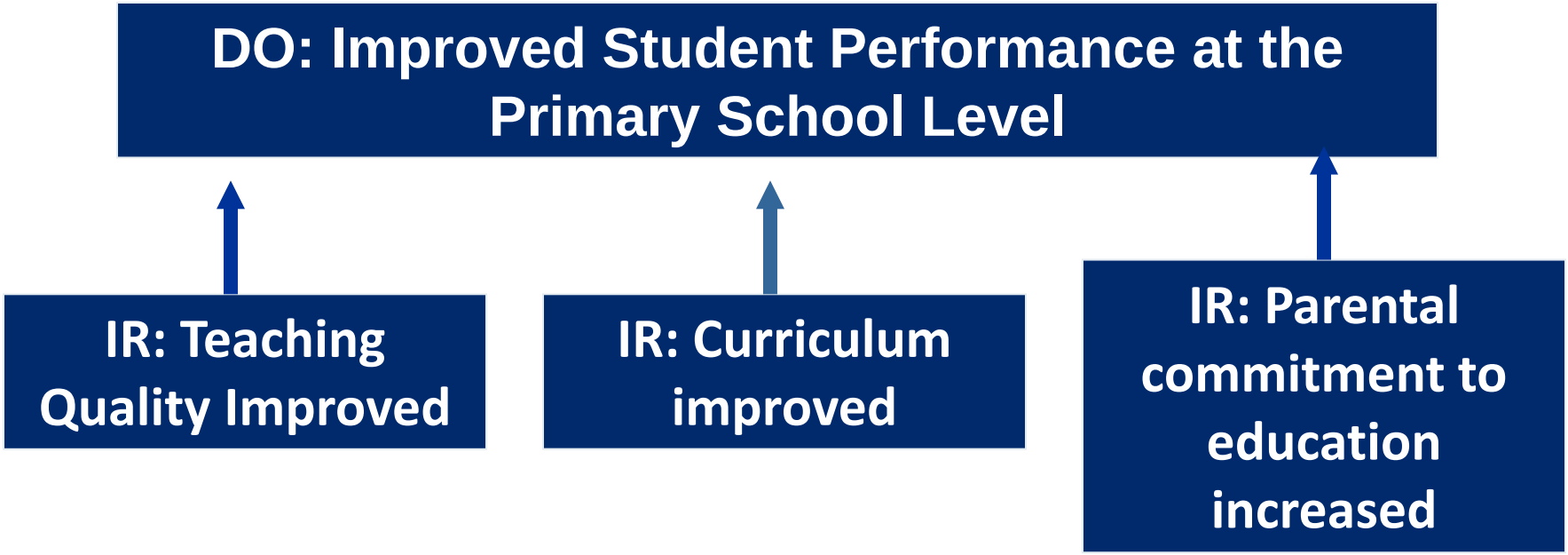

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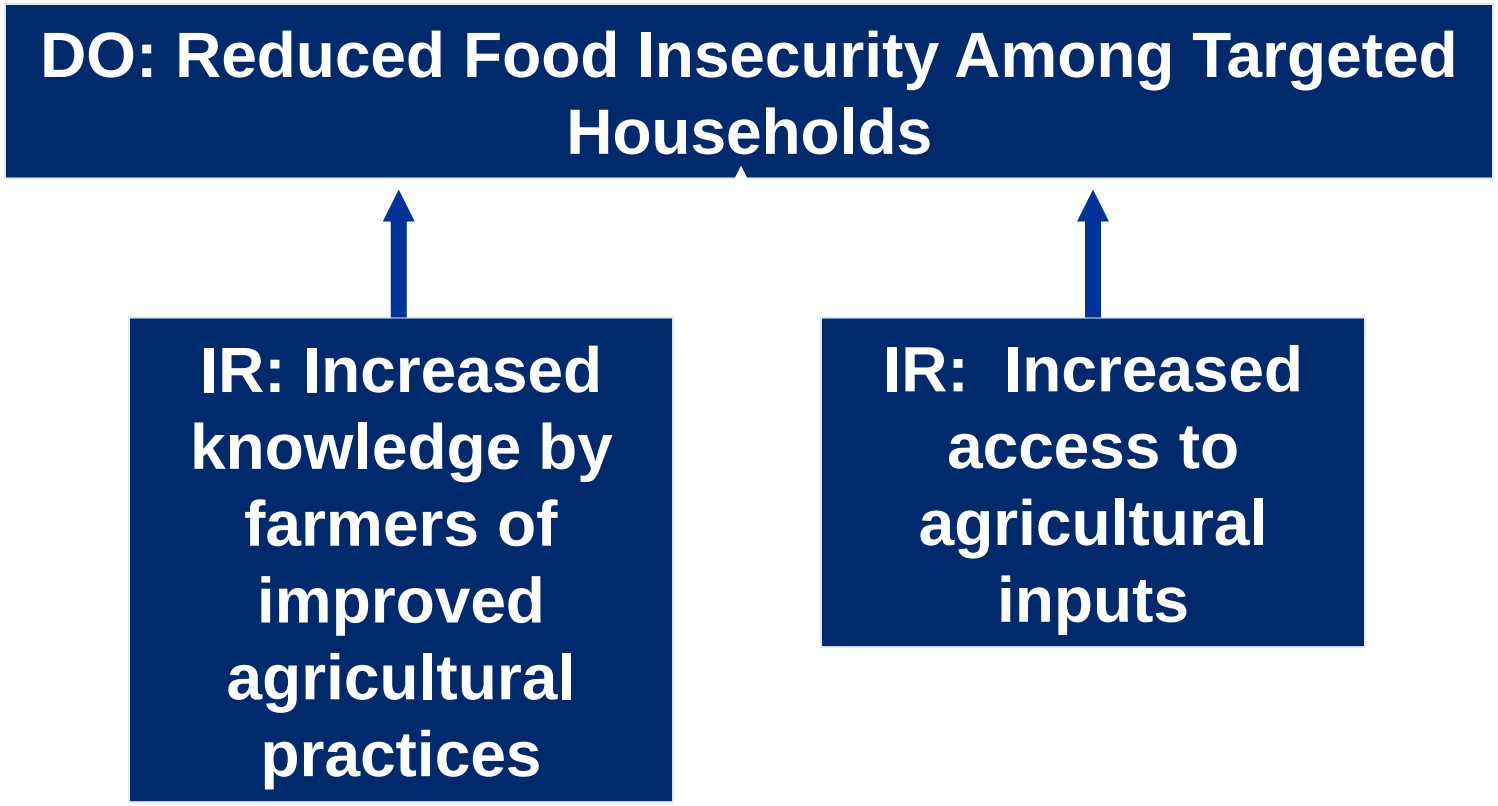
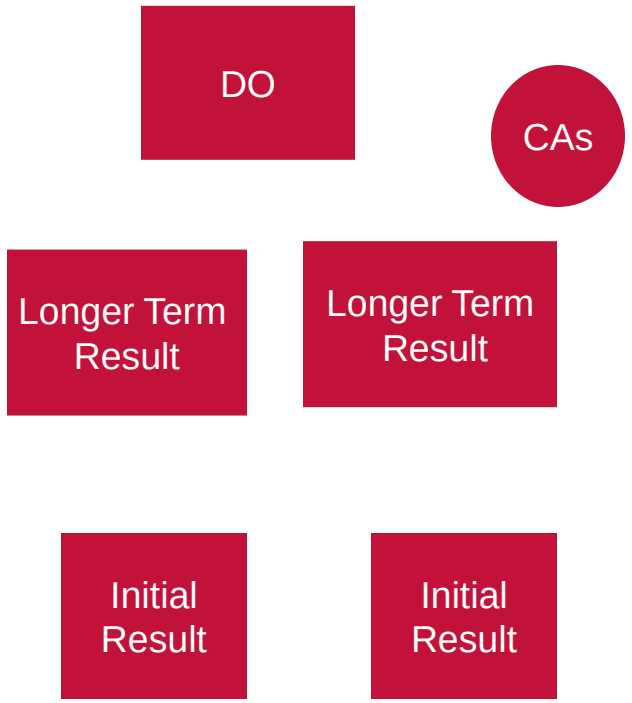


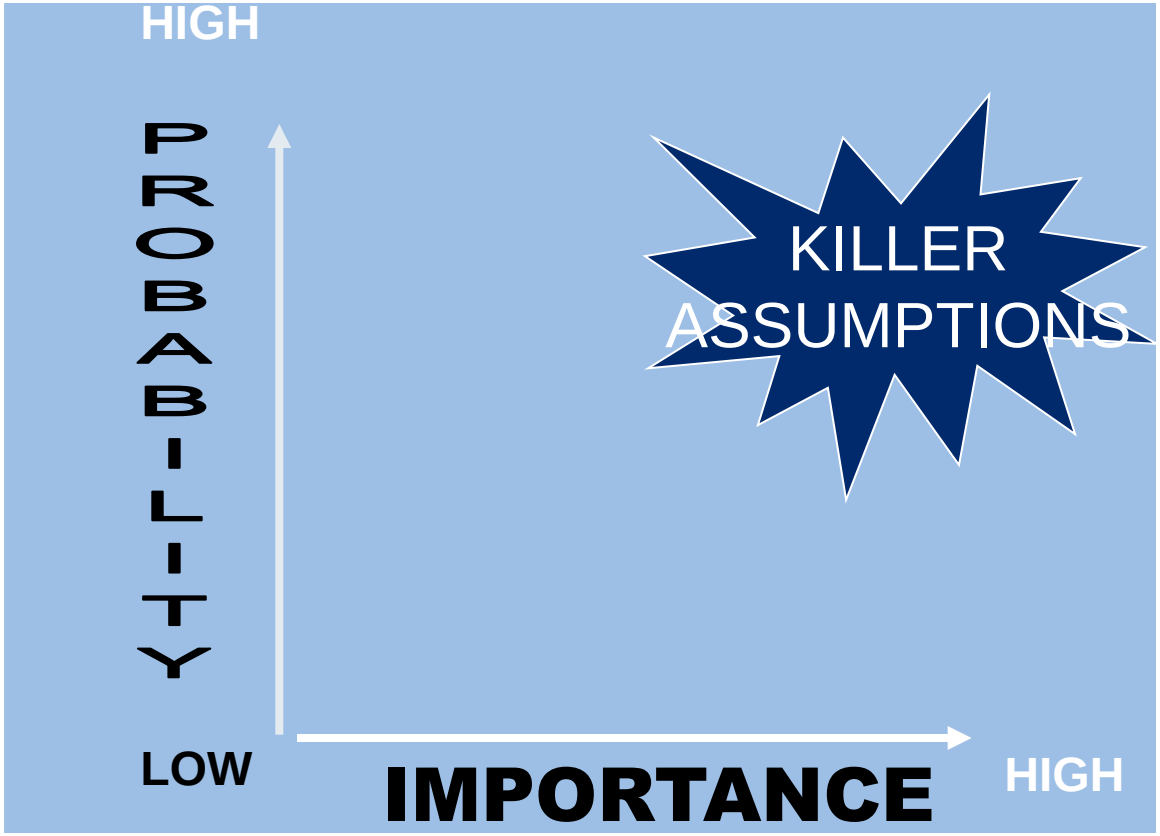
Critical Assumptions (CAs)

- Are external conditions that are necessary for success but over which project or program implementers have little or no control
- Define the risks inherent in the hypothesis that links results in the strategy

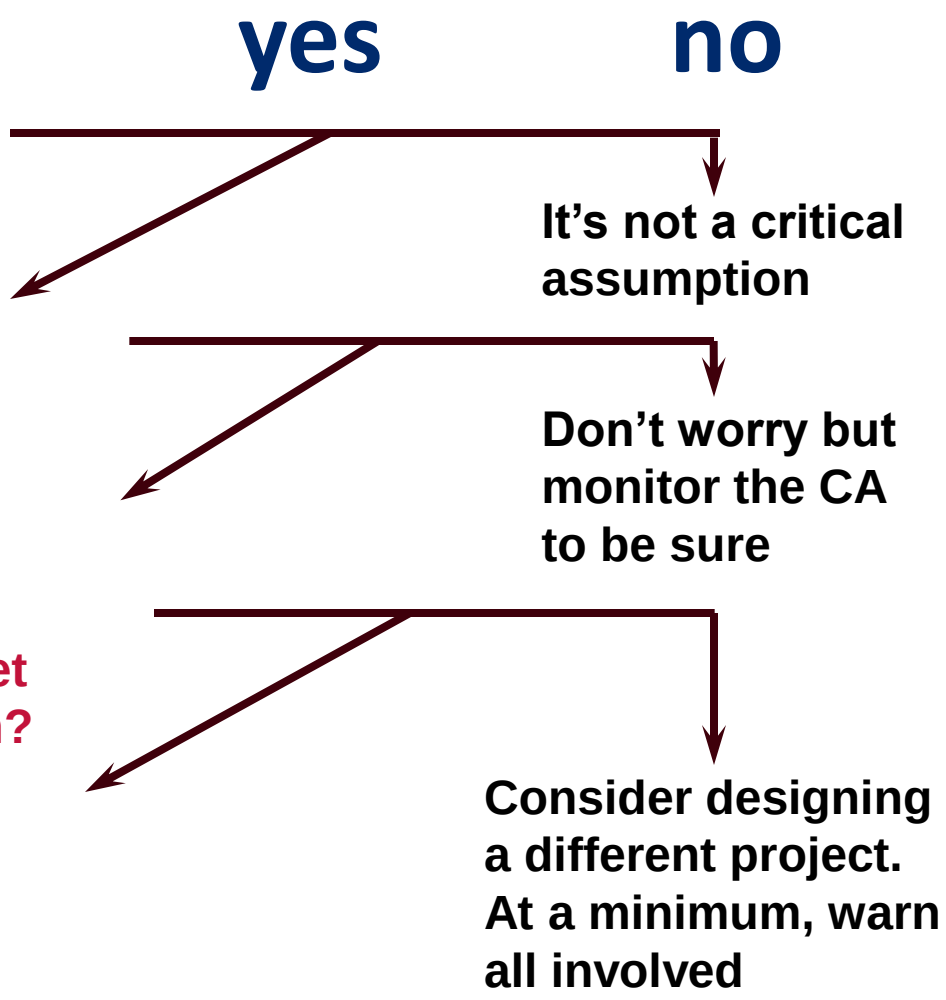


Killer Assumptions

- How important are they to the achievement of project success?
- How likely is it that they will hold true?



Analyzing Assumptions



Redesign the project!

Results Frameworks

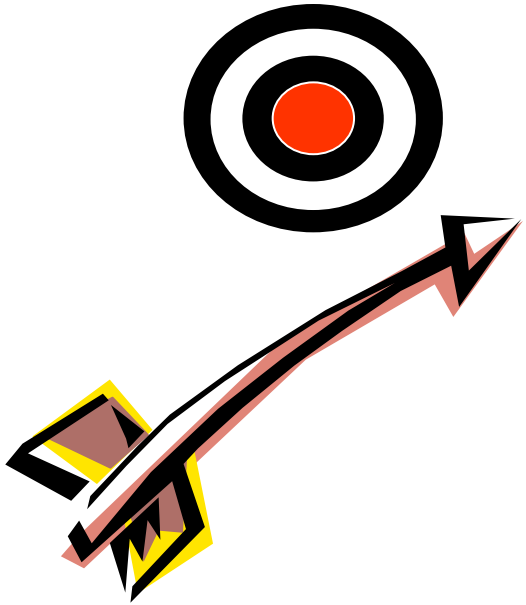
DOs

- Base the RF on sound analysis
- Start at the top and work down
- State DOs, IRs, etc. as results, not processes
- Results should be clear, precise, and measurable
- Linkages should be causal
- Ensure IRs are necessary & sufficient

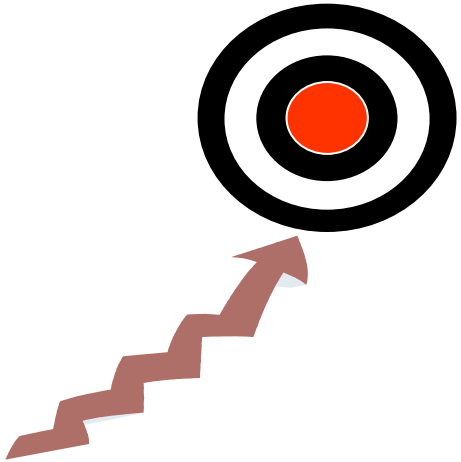
DON'Ts

- Have only one or two people develop the RF
- Define overly broad results
- Forget critical assumptions
- Accept "killer" assumptions
- Use categorical or definitional logic

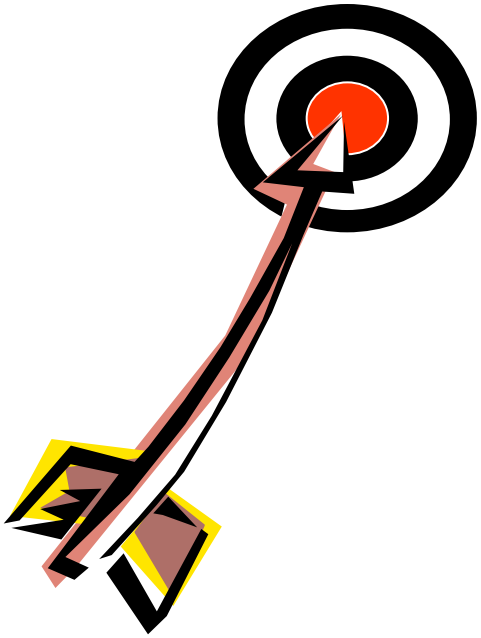
Focusing on results does not mean losing sight of implementation.



Good Implementation
No Focus on Results



Good Focus on Results
Bad Implementation



Good Focus on Results
Good Implementation

Lessons Learned

- The process can take time and be intense
- Teams often make decisions only to go back and question their basic logic
- Participation is key
- Make adjustments as you learn

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Viewing Strategy Through a Project Lens

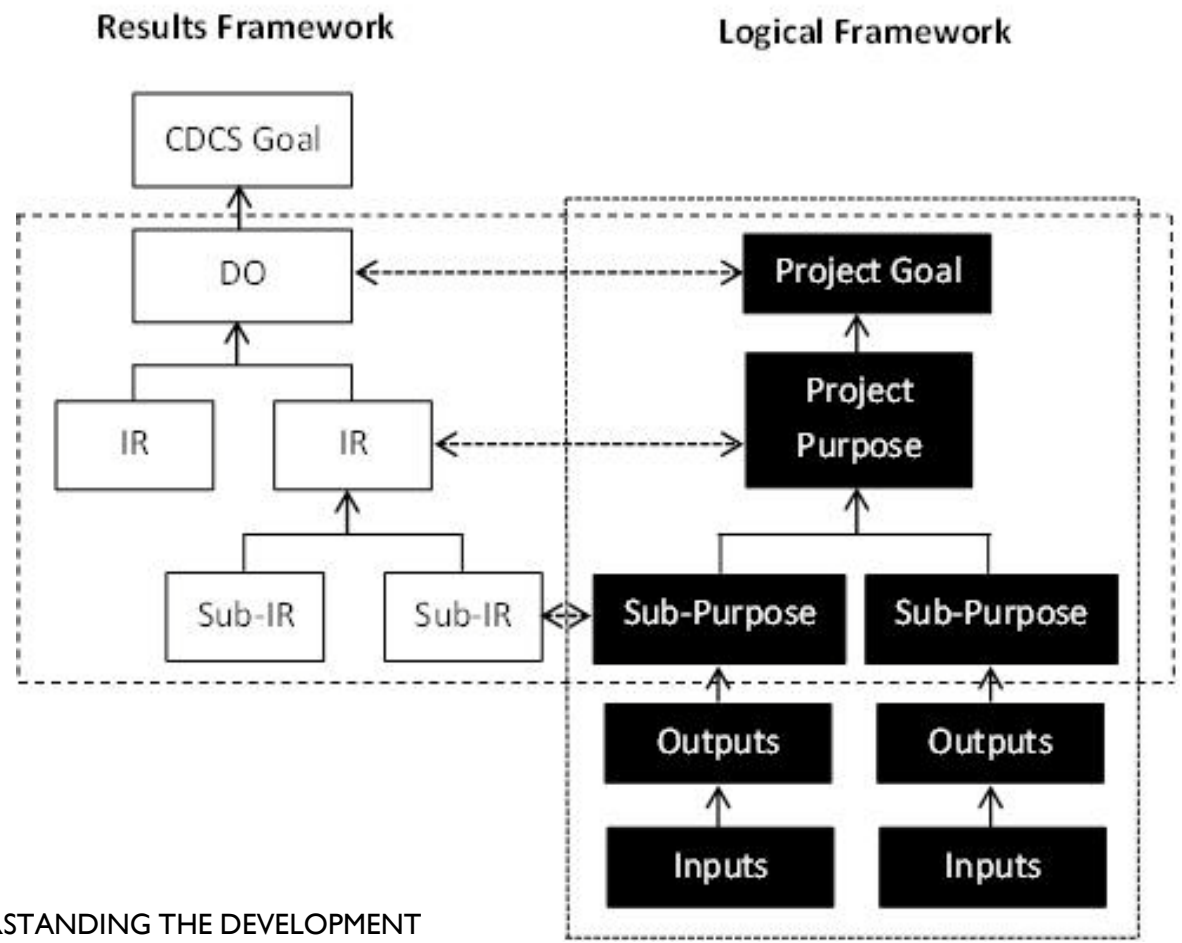
What is a Project?

- **Project**: Set of interventions over an established timeframe and budget, intended to achieve a discrete development result (typically defined by an IR in the Results Framework of a Mission CDCS).
- Projects typically include **a number of implementing mechanisms** (contracts, grants, agreements with host country governments, etc.) working together within an overall implementation framework to achieve a higher-level outcome.
- Projects are fully detailed in a **Project Appraisal Document** (PAD) that replaces the Activity Approval Document (AAD)

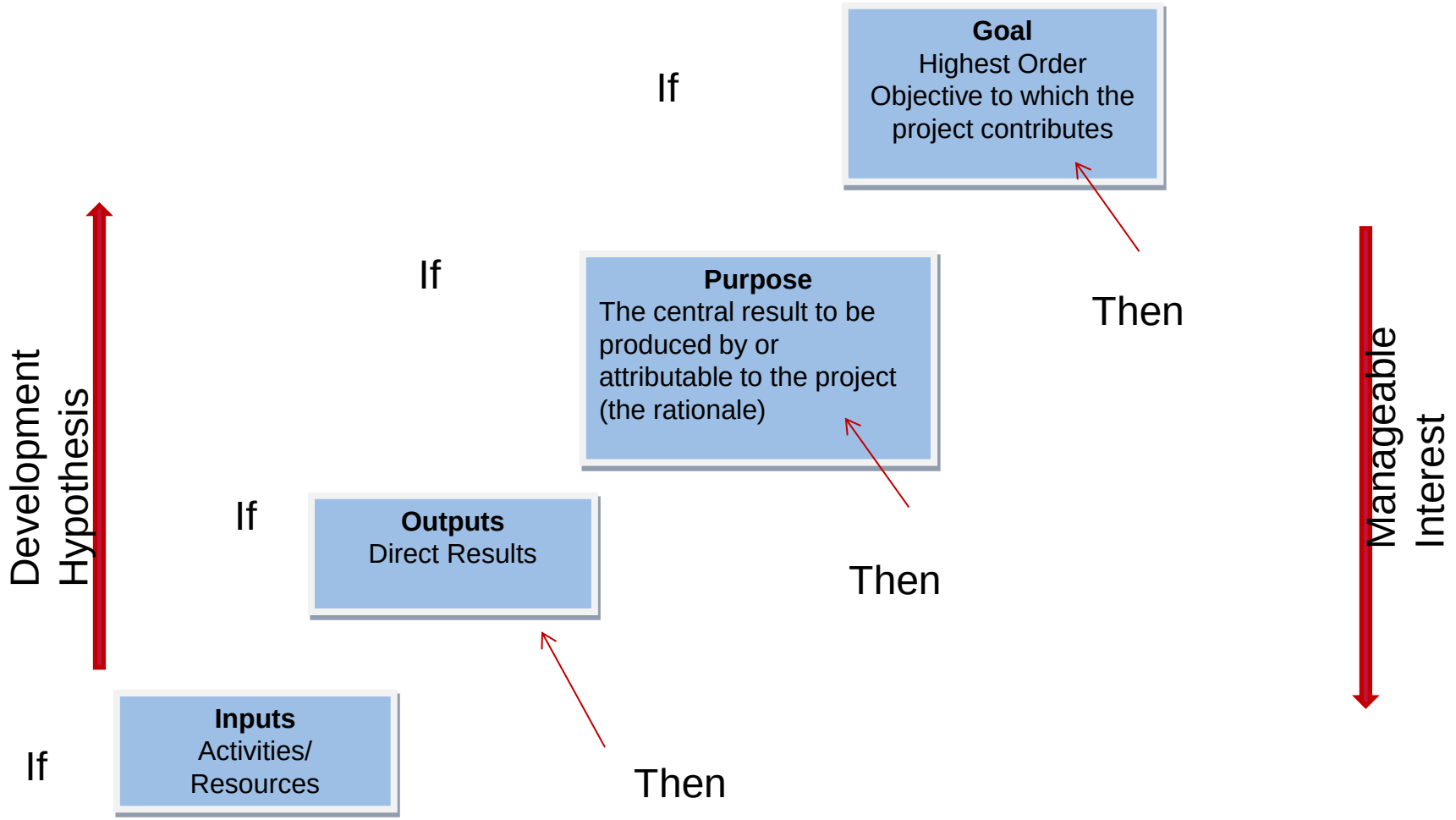
What is NOT a Project?

- "**Programs**" are aligned with a CDCS Development Objective that captures all projects and activities associated with that DO.
- "**Activities**" and "**components**" are equivalent and refer to discrete elements within a project.
- "**Mechanism**" is used to define a legal obligation or sub-obligation of USAID funds such as a contract, grant of G2G agreement within a project. A mechanism could be used to implement an activity

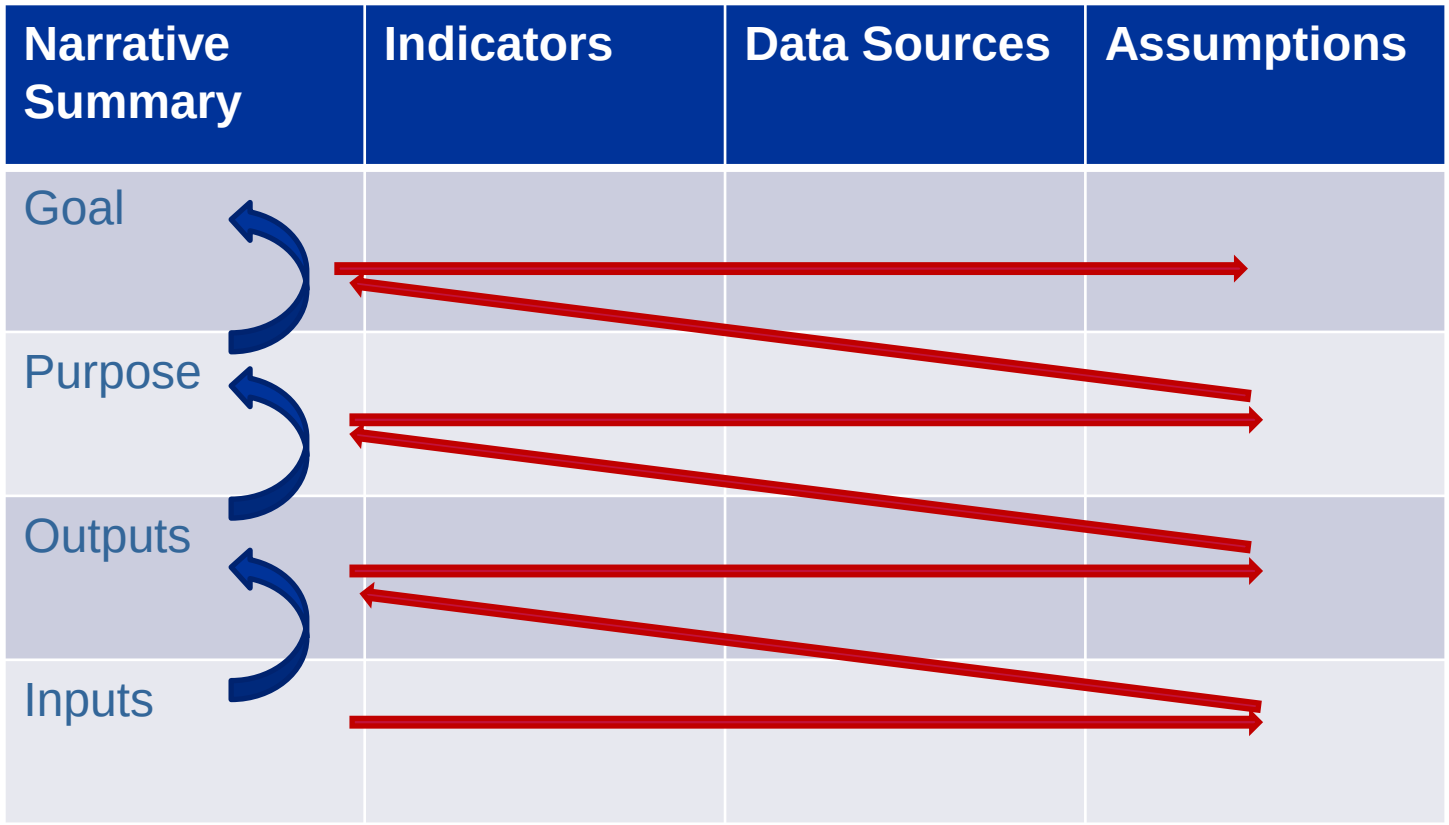
Result Frameworks and Logical Frameworks



The Hierarchy of Objectives



Logframe Matrix



An Example

Narrative Summary	Indicators
Goal: Small Farmer income increased in northeastern region	Average farmer income raised from 1,000 pesos in baseline year to 2,000 pesos in year 3
Project Purpose: Small famer rice production increased in northeastern region	30,000 small farmers increase rice yields (tons per hectare) by 50% from baseline to end of project
Sub- Purpose: New planting and cultivating techniques adopted by small farmers	90% target group farmers using new planting and cultivating techniques appropriately by year 2
Outputs: 1. Functioning fertilizer and high yield variety rice seed distribution system is in place 2. Farmers trained 3. Credit system operational	• X tons of fertilizer distributed to target group by end of project • X tons of high yield seed target group by end of project • 35,000 small farmers trained by end of project • X million credit issued to small farmers by end of year 2

Inputs

1. Develop training plan / methodology for small farmers
2. Train distribution center staff
3. Recruit staff
4. Design distribution system
5. Recruit staff
6. Recruit small farmers
7. Hire credit system specialist
8. Identify credit institutions
9. Establish credit system procedures

Common Pitfalls in Project Design

- Lack of rigor
- No clear linkage to the operative strategy
- Lack of clarity around key results (poor results statements contribute to this problem)
- Lacks a clearly articulated development hypothesis (cause and effect)
- Broad and diffuse projects (the laundry list problem)

Any Questions?